

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JUNE 25, 2002**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, June 25, 2002 commencing at 7:02 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Howard, and Land

Absent: Council Members – Nakanishi and Pennino

Also Present: City Manager Flynn, City Attorney Hays, and City Clerk Blackston

B. CITY COUNCIL CALENDAR UPDATE

City Clerk Blackston reviewed the weekly calendar (filed).

C. TOPIC(S)

C-1 "East Bay Municipal Utility District Water Projects"

Public Works Director Prima introduced speakers Maria Solis and Gerald Schwartz from East Bay Municipal Utility District (EBMUD).

Maria Solis reported that the Freeport Regional Water Project in 1995 was known as the Folsom South Canal Connection. In 1997 EBMUD joined with the City and County of Sacramento on a joint project and the name became the Supplemental Water Supply Project. In 2000 EBMUD moved off the American River and onto the Sacramento River and the project was named the Freeport Regional Water Project. In 1972 EBMUD signed a contract with the United States Bureau of Reclamation for 150,000 acre feet of water off the American River to be conveyed down the Folsom South Canal. In 1998 Sacramento County Water Agency also signed a contract with the Bureau for 15,000 acre feet of water, which allows them to take water from the American or Sacramento Rivers. In 2001 EBMUD signed an amendatory contract with the Bureau to allow them to take water off the Sacramento instead of the American River. In February 2002 EBMUD signed a Joint Powers Agreement, which formed the Freeport Regional Water Authority. EBMUD and Sacramento County are both paying and voting members of the Authority. The City of Sacramento is an associate member to the agreement.

The Freeport Project environmental review process began in April 2002. The project consists of 85 million gallons per day (MGD) which would be served to the Sacramento County Water Agency. They would take that water in a combination of wet and dry years in an effort to refill their basin. The contract amendment with the Bureau allows EBMUD to take a maximum of 165,000 acre feet over a three-year dry period and a maximum of 113,000 acre feet in any single year. Ms. Solis stated that those numbers will also be reduced by 25% rationing across the board, which is enforced on all Central Valley Project contractors during drought years. There is 100 MGD capacity during the wet years that EBMUD will not be using. Sacramento County's needs will be served through 2050 by the 85 MGD. The diversion point is near the unincorporated town of Freeport. There are four sites in the area that are being considered. There will be a treatment facility in the Bradshaw area of Sacramento County, and one near Lake Camanche or where EBMUD ties into the Mokelumne River to pre-treat the water before it goes into the aqueducts. All transmission lines will be underground. The total cost of the project is \$690 million. Of that amount, \$439 million is the cost for EBMUD project facilities and \$251 million is for Sacramento County facilities. EBMUD and Sacramento County share the facilities from the intake to the County's treatment plant near Bradshaw. The Freeport Regional Water Authority has authority only over those shared facilities.

The Freeport Regional Water Authority is the lead California Environmental Quality Act (CEQA) agency and the United States Bureau of Reclamation is the lead federal agency. State and Federal contractors have filed a lawsuit against EBMUD for the 2001 final Environmental Impact Report (EIR). The first hearing is scheduled for July 26. The downstream users from Freeport would prefer that EBMUD stay on the American rather than the Sacramento River.

EBMUD anticipates releasing a draft EIR by October. By March or April 2003 the environmental documentation should be complete and the three-year construction period could begin in 2004. At 2006 the project should be on line to deliver water to the East Bay. The County does not need the project until 2010 and will not build its treatment plant until 2009.

Council Member Howard asked whether the 25% ration is both for business and household use. She also inquired if Lodi is a shared facility or has any financial responsibility.

Ms. Solis explained that the ration converts to 25% for industrial and up to 47% for the individual resident. She recalled that originally, from Grantline Road, there was an alignment that came straight through Lodi down the existing CCT railroad. Those routes were taken off the table, however, so there is no obligation for cost sharing from the City of Lodi. Ms. Solis noted that if Lodi or San Joaquin County were interested in using some of the wet year capacity that is available for a groundwater banking program, there could be a partnership and some cost sharing.

Council Member Land asked if EBMUD will be monitoring the saline intrusion into Lodi's groundwater and noted his concern about the diversion of water from the Sacramento River.

Ms. Solis replied that EBMUD had not yet heard concerns that taking water upstream of the Delta would cause salinity plumes to move north because of increased salinity downstream. EBMUD looks at local groundwater impacts around the area of the intake and currently there are no plans to monitor the saline plume. She estimated the groundwater project would take five years to replenish the basin at 30,000 acre feet per year before it would be equalized and any water could be taken out by EBMUD. Ms. Solis stated that she would add the saline intrusion concern, as expressed by Council Member Land, in the comments for the environmental document.

Council Member Land addressed Mr. Flynn and stated that a letter from the City should be sent to EBMUD outlining the concern and noting that the saline is now approaching the City's groundwater within a seven-mile area.

Mayor Pro Tempore Hitchcock asked Ms. Solis if adding groundwater banking in this area to the project might serve as mitigation for the Delta water quality issue.

Ms. Solis indicated that it was a possibility if it was found to be a significant impact in the environmental document. She noted that it could be done before or after the environmental document is certified.

Council Member Land asked whether land has been acquired for the pipeline.

Ms. Solis explained that by law land cannot be acquired until the CEQA document is certified. If the project does move forward, EBMUD has identified a three-stage process for negotiations with property owners: 1) Buy the land outright; 2) Buy the land and revert it back to the existing landowners; or 3) Acquire easements. Ms. Solis reported that the pipeline would be underground.

Council Member Land inquired whether North San Joaquin County had any water rights available to them off the Folsom South Canal 30 to 40 years ago when it was being developed.

Ms. Solis reported that Folsom South Canal was built on the assumption that Auburn Dam would be built, and that it would continue all the way to the Farmington Canal to convey water to South San Joaquin County. She did not recall that any water would be conveyed to North San Joaquin County.

Ms. Solis stated that the EBMUD groundwater conjunctive use group has met with the North San Joaquin Water District and all agencies and water purveyors within San Joaquin County. She noted that in 1993 the EBMUD board certified that the supplemental water project was a San Joaquin County conjunctive use project. When an export ordinance was passed stating that no water could be exported from the basin, EBMUD began pursuing other alternatives. A three-year feasibility study was undertaken, which resulted in the determination that a new dam, 50 to 70 feet higher than the existing dam, could be built downstream of Pardee. This concept project was discontinued in 1997 when EBMUD entered into a joint project with the City and County of Sacramento to convey water from the confluence of the American and Sacramento Rivers. In 1999 that project was discontinued to begin work on the Freeport project.

Council Member Land stated that he would like to see EBMUD's report on how it anticipates using water during the dry years and where the water will be coming from. He voiced support for a project to inject water into the groundwater supply and hoped to see North San Joaquin County work with EBMUD in developing a project to use the surplus water during the wet years. He suggested that the City and other water agencies meet with the EBMUD board to discuss a joint agreement for utilization of the surplus water.

Ms. Solis reported that EBMUD is now conducting modeling for the entire Delta and when the draft EIR is published it will include how much water is available and the impacts.

Gerald Schwartz stated that he is the regional liaison for EBMUD. He asked Council to cosponsor an assessment of the region on the Mokelumne River corridor to evaluate whether there are issues that would lend themselves to a collaborative decision making process. The EBMUD board is in favor of an assessment process, which is estimated to cost between \$60,000 to \$80,000 and would culminate into the Mokelumne River Water Forum. The assessment would be conducted by an independent third party. Mr. Schwartz reported that a similar process was conducted for the Sacramento Water Forum by the California Center for Public Dispute Resolution, which was created by California State University Sacramento and the University of the Pacific McGeorge School of Law. The assessment will include confidential interviews with water districts, the City, the County, and others, which may include parts of the counties of San Joaquin, Sacramento, Amador, and Calaveras. He asked that Council send a letter to Dennis Diemer General Manager of EBMUD requesting to be a cosponsor of the assessment. Mr. Schwartz believed that the Mokelumne River Water Forum would resolve regional issues.

Council Member Land voiced support for cosponsoring the assessment and recommended that a letter be drafted as requested and brought to Council at the next regular meeting.

Mayor Pro Tempore Hitchcock expressed concern that the assessment and Forum concept may be overlapping with similar work being done by other water groups. She suggested that Mr. Schwartz give a presentation at a regular Council meeting and include a list of all the agencies and local governments who would be invited to participate in the Forum, as well as their responses.

PUBLIC COMMENTS:

- Bob Johnson asked what the County's position was on conjunctive use.

Public Works Director Prima explained that conjunctive use would be alternating the use of surface water and ground water depending on what is available. He did not know what the County's position was on the issue. He stated that the County is not really a water

provider other than a few districts that they manage on behalf of the residents and property owners. Stockton East Water District, Woodbridge Irrigation District, North San Joaquin Water Conservation District, City of Stockton, City of Lodi, and the Central Delta and South Delta Water Agencies have formed a Groundwater Banking Authority. Referring to the Freeport Project, Mr. Prima pointed out that EBMUD could offer Lodi all 100 MGD of excess capacity; however, it would be meaningless without a right to take water. He stated that the County has been supportive of trying to continue efforts and they do have a filing on the American River.

D. COMMENTS ON NON-AGENDA ITEMS

City Manager Flynn reported that Spohn Ranch (skate park operators) now has a first aid kit, a key to the gate, two employees, and are working on signs.

Mayor Pro Tempore Hitchcock voiced concern about Spohn Ranch wanting to limit their liability.

City Manager Flynn stated that Mark Armstrong believed he had the support of Rad Bartlam, Richard Prima, and Mayor Pennino regarding the sign on the Grape Festival grounds. Mr. Armstrong has been working with Community Development on a planned \$250,000 investment to upgrade the property at the corner of Lockeford Street and Cherokee Lane.

Mayor Pro Tempore Hitchcock stated that the issue with the Grape Festival grounds is an example of the County usurping local control. She suggested that the City take advantage of Senator Machado's recent offer to consider legislation promoting equity between cities and counties and recommended that the matter be placed on the next Council agenda.

Council Member Howard believed that the problem related to signage at the Grape Festival grounds was due to not having gone through the County Planning Commission and Board of Supervisors, as they were given an exemption for nonprofit status. Referencing the skate park issue, Ms. Howard stated that it is a great asset to the community. She had asked for assistance yesterday from City staff in an effort to work toward a continued positive goal.

E. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:35 a.m.

ATTEST:

Susan J. Blackston
City Clerk

Mayor's & Council Member's Weekly Calendar

WEEK OF JUNE 25, 2002

Tuesday, June 25, 2002

7:00 a.m. Shirtsleeve Session
1. East Bay Municipal Utility District (EBMUD) Water Projects

Wednesday, June 26, 2002

11:00 a.m. Grand opening and ribbon cutting for California Catalog & Technology, 1015 Black Diamond Way.

Thursday, June 27, 2002

8:00 – 10:00 a.m. **Pennino.** San Joaquin Partnership Meeting.
9:30 a.m. **Land.** NCPA Commission Meeting, Lompoc City Hall.
11:30 – 1:30 p.m. Open house retirement luncheon for Ron Tobeck, Police Department ~ 2nd floor.
5:00 – 7:30 p.m. **Pennino.** San Joaquin Council of Governments meeting.

Friday, June 28, 2002

Saturday, June 29, 2002

Sunday, June 30, 2002

Monday, July 1, 2002

11:30 – 2:00 p.m. **Pennino.** San Joaquin County Historical Society and Museum's pot luck in honor of Michael Bennett, Society and Museum Director, for 25 years of service and groundbreaking ceremony for the museum's new Tractor & Ag Equipment Center. Mayor to present certificate.
7:30 p.m. **Pennino.** Lodi Chapter Order of DeMolay's Government Day, Woodbridge Masonic Center. Mayor to give speech regarding the importance and function of a local government.



CITY OF LODI

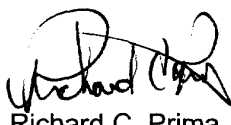
COUNCIL COMMUNICATION

AGENDA TITLE: EBMUD Water Projects

MEETING DATE: June 25, 2002 (Shirtsleeve Session)

PREPARED BY: Public Works Director

An East Bay Municipal Utility District (EBMUD) representative will make a presentation on the Freeport project which will provide water for Sacramento County and EBMUD (see attached information sheets). Other EBMUD/local water-related activities will be discussed as well.

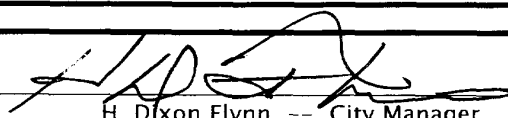

Richard C. Prima, Jr.
Public Works Director

RCP/lm

Attachments

cc: Fran Forkas, Water/Wastewater Superintendent

APPROVED: _____


H. Dixon Flynn -- City Manager



Fact Sheet and Public Scoping Meeting Notice

Freeport Regional Water Project

- This fact sheet describes a project that will improve water supply reliability for communities in the Sacramento and East Bay regions.
- Project facilities to pump and treat the water supplies are planned on the Sacramento River near the community of Freeport, and pipes to carry the water are planned to go through several communities in the City of Sacramento and the counties of Sacramento and San Joaquin.
- This fact sheet provides information about five April meetings and identifies other opportunities for you to ask questions and make comments about the project and the environmental studies that are underway.

March 2002

Description of the Freeport Regional Water Project

The Sacramento County Water Agency (SCWA) and East Bay Municipal Utility District (EBMUD), in close coordination with the Bureau of Reclamation (Reclamation) and the City of Sacramento (City), are developing a joint regional water supply project on the Sacramento River near the community of Freeport. The map on page 2 shows the regional location of the project.

The Freeport Regional Water Project (Freeport Project) is important because it will:

1. Provide up to 85 million gallons per day (MGD) of surface water to the SCWA to be used in conjunction with groundwater to help meet future water supply needs in the central Sacramento County area. These future water supply needs have been identified and recognized as a part of the landmark Water Forum Agreement (ratified April 2000).
2. Provide a 100 MGD dry year water supply to EBMUD customers to supplement aggressive water conservation and recycling programs and reduce the potential for severe water rationing and associated economic losses and hardships during drought periods.

(continued on page 2)

Public Participation Is Encouraged and Welcomed

The project partners are committed to fully informing and engaging potentially affected communities and agencies. They need to know your views about the project, and the scope and content of the Draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS). Toward that end, a series of public scoping meetings has been scheduled for April 2002 in Oakland, Freeport, Sacramento (two locations) and Herald. Please see the "Public Scoping Meeting Schedule" sidebar on page 2 for further details.

In addition, the project partners welcome opportunities to attend meetings with community groups to make presentations or answer questions about the project. They are also available by phone for individual inquiries or comments. Please see the "For More Information" sidebar on page 3 for contact names and phone numbers.

If you cannot attend the meetings but would like to make a comment, please mail written responses by April 30, 2002 to:

Gregg Ellis
2600 V Street
Sacramento, CA 95818



Public Scoping Meeting Schedule

The Draft EIR/EIS is scheduled for public review and comment in fall 2002. The Freeport Regional Water Authority is seeking early public input on alternatives, concerns, and issues to be addressed in the environmental document through a series of public scoping meetings to be held in April 2002.

Oakland

Monday, April 8
6:30 - 8:30 p.m.
EBMUD Training Room
375 11th Street, 2nd Floor
Oakland

Freeport

Thursday, April 11
6:30 - 8:30 p.m.
Bartley Cavanaugh Golf Course
8301 Freeport Boulevard
Freeport

Sacramento

Monday, April 15
6:30 - 8:30 p.m.
Pannell Community Center
2450 Meadowview Road
Sacramento

Herald

Thursday, April 18
6:30 - 8:30 p.m.
Herald Fire Department
Hendrickson Hall
127 Ivie Road
Herald

Sacramento

Thursday, April 25
6:30 - 8:30 p.m.
Wildhawk Golf Course
7713 Vineyard Road
Sacramento

All interested parties are invited and encouraged to attend. Meeting facilities are accessible to persons with disabilities. For special assistance or translation services, please contact:

Ingrid Norgaard 916/503-6681
Extension 3609.

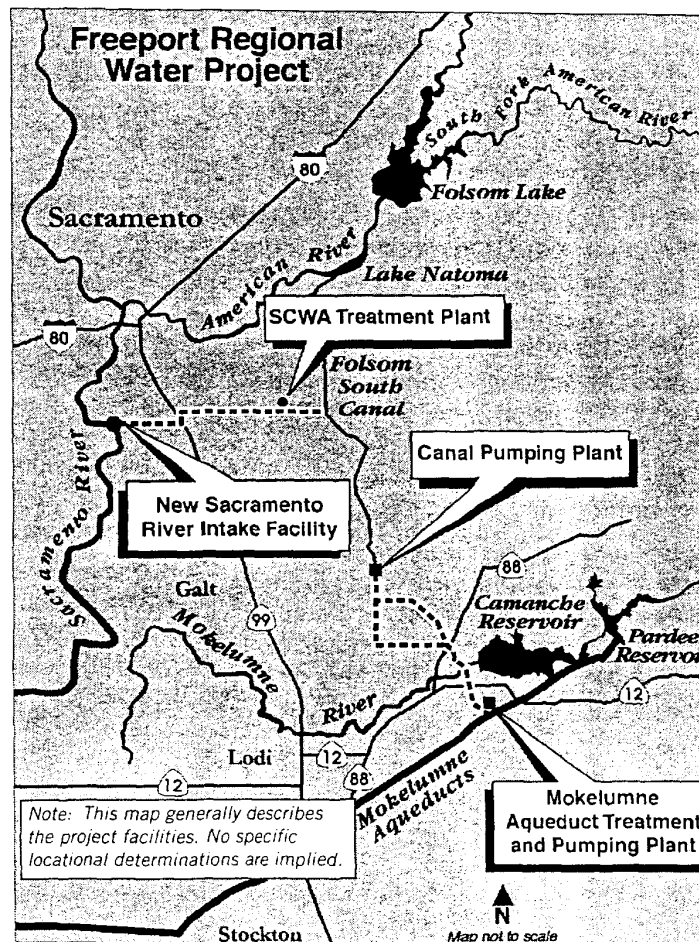
(Description continued from page 1)

3. Potentially provide others with opportunities to benefit from EBMUD's share of project capacity through CALFED's Environmental Water Account and Bay Area water planning effort, although such use would be subject to additional environmental review.

The Freeport Project consists of:

- a new 185 MGD intake on the Sacramento River near the community of Freeport, including state-of-the-art fish screens;
- a new pipeline to convey water eastward to the existing Folsom South Canal;
- a future water treatment plant in central Sacramento County, to be owned and operated by the SCWA, to provide treated surface water supplies; and
- conveyance facilities to transport water for EBMUD from the southern end of the Folsom South Canal to the existing EBMUD Mokelumne Aqueducts, through which the water will be conveyed to the EBMUD service area.

Potential intake locations and pipeline alignment alternatives have been identified. These preliminary alternatives and others identified in the review process will be evaluated through public comment as well as engineering and environmental analysis.



Historic Joint Powers Agreement Will Guide Lasting Collaboration

The boards of directors of the SCWA and EBMUD each unanimously approved a Joint Powers Agreement on February 13, 2002; this is a historic achievement in the evolution of the Freeport Project. The agreement established what is now known as the "Freeport Regional Water Authority," which will guide the financing, ownership, development, construction, and operation of the Freeport Project. The Freeport Regional Water Authority board is made up of two representatives from each member organization, including directors Illa Collin and Don Nottoli from SCWA and Katy Foulkes and John Coleman from EBMUD.

Environmental Review Initiated

The Freeport Regional Water Authority and Reclamation have initiated an environmental review of the Freeport Project according to the standards established by the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA), respectively. This review will include a scientific study and evaluation of several project alternatives, resulting in an analysis of the possible physical, biological, social, and economic impacts.

Environmental factors considered include land use and planning, geological problems, water, air quality, transportation/circulation, biological resources, public health/hazards, noise, aesthetics, cultural resources, and recreation.

A Draft EIR/EIS will be prepared to describe and evaluate reasonable project alternatives and to foster informed public participation.

For More Information

To obtain further information about the Freeport Project or Freeport Regional Water Authority, please contact any of the project representatives listed below:

Ms. Diane Margetts

Sacramento County Water Agency
Phone 916/874-4517

Mr. Tom Aiken

Bureau of Reclamation
Phone 916/988-1707

Ms. Candace McGahan

City of Sacramento
Phone 916/264-1416

Ms. Maria C. Solis

EBMUD
Phone 510/287-1358

Mr. Gerald E. Schwartz

EBMUD
Phone 209/748-2133

Electronic information and feedback options are available for your convenience. Please visit the project Web site at www.FreeportProject.org.

Next Steps

<i>April 2002</i>	Freeport Regional Water Authority and Reclamation to host five public scoping meetings
<i>Fall 2002</i>	Draft EIR/EIS to be released for public review and comment
<i>Winter 2002</i>	Local and federal environmental documentation and permitting to be completed
<i>Spring 2004</i>	Engineering design work to be completed
<i>Spring 2004</i>	Construction contracts to be awarded
<i>Fall 2006</i>	Project to be completed